

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WISCONSIN

In re:
ROGER PETER RINALDI and
DESA LILY RINALDI,
Debtors.

Case No. 11-3689-SVK-13

ROGER PETER RINALDI and
DESA LILY RINALDI,
Plaintiffs,

Adversary Proceeding No. 12-02412

v.
HSBC BANK USA, NATIONAL ASSOCIATION,
as Trustee for Wells Fargo Home Equity Trust 2005-2
Attention: Irene Dorner, President and CEO
1800 Tysons Blvd.
McLean, Virginia 22101, et al.
Defendants

MOTION TO STAY PROCEEDINGS PENDING DETERMINATION OF THE
MOTION TO DISQUALIFY ATTORNEY STEPHANIE DYKEMAN MOTION TO
DISQUALIFY ATTORNEY STEPHANIE DYKEMAN OR ANY OTHER ATTORNEY FROM
THE LAW FIRM OF LITCHFIELD CAVO, LLP AS COUNSEL FOR HSBC BANK USA,
N.A. AND WELLS FARGO BANK, N.A. FOR VIOLATIONS OF THE WISCONSIN CODE
OF PROFESSIONAL CONDUCT, INCLUDING, BUT NOT LIMITED TO, MULTIPLE
CONFLICTS OF INTEREST AND REQUEST FOR HEARING

NOW COME the Plaintiffs/ Debtors (hereinafter Plaintiffs), by their attorney Wendy Alison Nora of ACCESS LEGAL SERVICES, and respectfully moves the Court to Stay Proceedings Pending Determination of the Motion to Disqualify Attorney Stephanie Dykeman of LITCHFIELD CAVO, LLP as Counsel for HSBC Bank USA, N.A. and Wells Fargo Bank, N.a. for Violations of the Wisconsin Code of Professional Conduct, Including, but Not Limited To, Multiple Conflicts of Interest . In support of the Motion, the Debtors show the Court:

1. Attorney Stephanie Dykeman of LITCHFIELD CAVO, LLP has now appeared in Rinaldi, et al. v. HSBC, et al., Adversary Case No. 12-02412 for “HSBC Bank USA, National Association as Trustee for Wells Fargo Home Equity Asset-Backed Securities 2005-2 Trust, Home Equity Asset-Backed Certificates, Series 2005-2, Wells Fargo Bank, N.A., Wells Fargo

Asset Securities Corporation, America's Servicing Company, Litchfield Cavo LLP, and Brad A. Markvart."

2. Plaintiffs have moved to disqualify Attorney Dykeman and any other lawyer from LITCHFIELD CAVO, LLP from representing their purported clients as co-defendants because they are disqualified from doing so in violation of the Wisconsin Code of Professional Conduct by multiple conflict of interest rules insofar as LITCHFIELD CAVO, LLP now attempts to represent HSBC Bank USA, N.A. (hereinafter HSBC) and Wells Fargo Bank, N.A. (hereinafter Wells Fargo).

3. HSBC and Wells Fargo are purportedly both clients of the firm and are co-defendants with the firm and the in these proceedings.

4. Plaintiffs acknowledge that Wells Fargo has retained and paid LITCHFIELD CAVO, LLP for services which amounted to participation in frauds upon the state court and this Court in the underlying bankruptcy case, but as simultaneously pleaded by Motion to Disqualify Disqualify Attorney Stephanie Dykeman of LITCHFIELD CAVO, LLP or Any Other Attorney from the Law Firm as Counsel for HSBC Bank USA, N.A. and Wells Fargo Bank, N.A. for Violations of the Wisconsin Code of Professional, Including, But Not Limited to, Multiple Conflicts of Interest, they do not believe that LITCHFIELD CAVO, LLP or the law firm of GRAY & ASSOCIATES, LLP has been retained by HSBC, even in these adversary proceedings.

5. The Motion to Disqualify Attorney Stephanie Dykeman of LITCHFIELD CAVO, LLP or Any Other Attorney from the Law Firm as Counsel for HSBC Bank USA, N.A. and Wells Fargo Bank, N.A. for Violations of the Wisconsin Code of Professional, Including, But Not Limited to, Multiple Conflicts of Interest must be heard before any further proceedings are held in this case.

6. The Court should not rule on the Motion for Extension of Time to respond to the Plaintiffs' Complaint, prior to deciding the pending Motion to Disqualify Attorney Stephanie Dykeman of LITCHFIELD CAVO, LLP or Any Other Attorney from the Law Firm as Counsel for HSBC Bank USA, N.A. and Wells Fargo Bank, N.A. for Violations of the Wisconsin Code of Professional, Including, But Not Limited to, Multiple Conflicts of Interest because to do so would amount to this Court's consent to the appearance of disqualified, conflicted counsel in this matter.

7. No party will be harmed by staying all proceeding in this adversary case pending the Court's determination of this Motion to Disqualify Counsel because disqualified counsel has moved for an extension of time to file responsive pleadings for itself, its employee Attorney Brad A. Markvart and its purported clients, which responsive pleadings will be stayed by the Court granting this Motion for a Stay of Proceedings pending determination of the Motion to Disqualify Counsel.

8. Plaintiffs, as Debtors in the underlying bankruptcy case, moved for sanctions against

GRAY & ASSOCIATES, LLP and its attorneys, including, but not limited to, barring them from acting as counsel for HSBC in the upcoming proceedings on the Debtors' Objection to Claim #6 on July 11, 2012 as Docket Entry 91 Debtors' Bankruptcy Case No. 11-35689, which is scheduled for August 6, 2012 at 1:30 p.m.

9. The status conference on the adversary proceedings is scheduled for August 6, 2012 at 1:30 p.m.

10. Plaintiffs respectfully request that the hearing on the Objection to Claim #6 and the status conference on the adversary proceeding be stayed and that the date and time for those proceedings be set for hearing on this Motion to Stay Proceedings, the Motion to Disqualify Counsel in the adversary proceedings and the portion of Debtors' Response to the Second Motion to Lift the Automatic Stay to the extent that it requests Sanctions consisting of the disqualification of GRAY & ASSOCIATES, LLP and LITCHFIELD CAVO, LLP in the underlying bankruptcy matter.

WHEREFORE, the Plaintiffs request that a Stay be entered as to all matters pertaining to the adversary proceedings, including the date upon which the Defendants' responsive pleadings are due until after the Court's determination on the Motion to Disqualify Stephanie Dykeman of LITCHFIELD CAVO, LLP or Any Other Attorney from the Law Firm as Counsel for HSBC Bank USA, N.A. and Wells Fargo Bank, N.A. for Violations of the Wisconsin Code of Professional, Including, But Not Limited to, Multiple Conflicts of Interest and the Debtors' Motion for Sanctions consisting of the disqualification of GRAY & ASSOCIATES, LLP and LITCHFIELD CAVO, LLP in the underlying bankruptcy matter at the time and date now set for the status conference in these proceedings and the hearing on Debtors' Objection to Claim #6.

Dated at Minneapolis, Minnesota this 12th day of July, 2012.

/s/ Wendy Alison Nora

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